

BILL RESPONSE REPORT

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DEPARTMENT/BUREAU/OFFICE City Clerk		BILL NO. AB 1021.	AUTHOR Goldberg
PREPARED BY Karen Kalfayan	EXT. 7-1062	DATE May 1, 2001	AMENDED DATE May 7, 2001 April 19, 2001

I. Describe the impact this bill will have on your department or the City, its program(s), and/or its constituency (state existing law or practice, a summary of the effect the bill will have on existing department operations, etc.).

This bill applies to the Parking and Business Improvement District law of 1994 governing property-based Business Improvement Districts (BIDS). It clarifies compliance with the Ralph M. Brown Act, allows for 10 year renewals of BIDS and eliminates the "Advisory Board" required under current law.

In general the bill streamlines the processes involved in BIDS and facilitates the management of BIDS by owner's associations. It only applies to property-based BIDS, even though a separate BID law exists for merchant BIDS. It provides for BID renewal, but does not articulate a process.

II. Give estimate of cost or savings to your department (include SB 90 reimbursements, if applicable).

N/A

III. Arguments both "For" and "Against" this bill.

For: Streamlines BID law. Makes management of BIDS easier.
Clarifies law.

Against: None, but modifications should be made to further clarify.

(See Other Side)

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Position Noted _____

Analyst _____

Program No. _____

Committee _____

Council _____

Position _____

IV. Recommended position and justification:

☐ No Position

☒ Support

☐ Oppose

☒ Amend

Describe reasons for recommended position (include relevant existing City legislative policy, and any proposed amendments in underline and ~~strike-out~~ format).

The City should support with the following amendments:

1. All changes to the Parking and Business Improvement District Law of 1994 (property BIDS) should also apply to Parking and Business Improvement Area Law of 1989 (Streets and Highways Code § 36500 et seq) applying to tenant based BIDS.
2. Section 36660 provides for renewal of property BIDS. A process for renewal should be defined which includes: a) a definition of how much area should remain intact to be considered a renewal; b) how unspent funds will be allocated if boundaries or properties change; c) what steps are to be taken to renew (notices, hearings, declarations).
3. Upon disestablishment (§ 36671), revenue collected after disestablishment should be returned to property owners using the method used to levy assessments. Proposed law states these funds are to be spent on improvements or activities specified in the management district plan, but provides for return of all other remaining revenues.

V. Interested Parties:

Indicate any interest other departments or organizations may have on the bill. Also, list any contacts you made in preparing this information.

City Attorney - prepared arguments for lawsuits with regard to the Brown Act as it applies to BIDS.

Ethics Commission - one section of the proposed legislation may affect the applicability of Conflict of Interest laws on BID Board membership and management.